

# Ammeraal Beltech Danmark A/S

Hjulmagervej 21, 7100 Vejle

CVR no. 31 17 21 60



## Annual report 2015

Approved at the annual general meeting of shareholders on

Chairman:

  
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### Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Ammeraal Beltech Danmark A/S for the financial year 1 January - 31 December 2015.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2015 and of the results of the Company's operations for the financial year 1 January - 31 December 2015.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Vejle, 26 May 2016

Executive Board:



Alex Peter Ludvigsen

Board of Directors:



Johannes Abraham  
Teekens  
Chairman



Prakash Krishnaswamy  
Iyengar



Bo Ensted Danielsen



## Independent auditors' report

To the shareholders of Ammeraal Beltech Danmark A/S

### Independent auditors' report on the financial statements

We have audited the financial statements of Ammeraal Beltech Danmark A/S for the financial year 1 January - 31 December 2015, which comprise an income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

### *Management's responsibility for the financial statements*

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' responsibility*

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulations. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit has not resulted in any qualification.

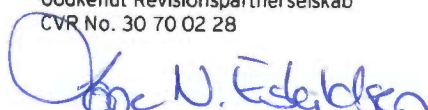
### *Opinion*

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2015 and of the results of its operations for the financial year 1 January - 31 December 2015 in accordance with the Danish Financial Statements Act.

### *Statement on the Management's review*

Pursuant to the Danish Financial Statements Act, we have read the Management's review. We have not performed any other procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the financial statements.

Aarhus, 26 May 2016  
ERNST & YOUNG  
Godkendt Revisionspartnerselskab  
CVR No. 30 70 02 28

  
Lone Nørgaard Eskildsen  
State Authorised Public Accountant

  
Andreas Riggelsen  
State Authorised Public Accountant



## Management's review

### Company details

Name	Ammeraal Beltech Danmark A/S
Address, Postal code, City	Hjulmagervej 21, 7100 Vejle
CVR No.	31 17 21 60
Registered office	Vejle
Financial year	1 January - 31 December
Board of Directors	Johannes Abraham Teekens, Chairman Prakash Krishnaswarny Iyengar Bo Ensted Danielsen
Executive Board	Alex Peter Ludvigsen
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Værkmestergade 25, P O Box 330, 8100 Aarhus C, Denmark



## **Management's review**

### **Operating review**

#### **The Company's business review**

The Company's main activity is to be a holding company.

#### **Financial review**

The income statement for 2015 shows a profit of DKK 20,317 thousand against a profit of DKK 10,662 thousand last year, and the balance sheet at 31 December 2015 shows equity of DKK 61,769 thousand.

#### **Post balance sheet events**

No significant events have occurred subsequent to the financial year.

#### **Outlook**

A growing interest for the subsidiary Ammeraal Beltech Modular A/S' products is expected. Based on this an increase of the Company's earnings for 2016 is expected.



## Financial statements for the period 1 January - 31 December

### Income statement

Note	DKK'000	2015	2014
	<b>Gross profit/loss</b>	-65	-67
	Income from investments in group entities	25,903	15,618
2	Financial income	2,344	3,643
3	Financial expenses	-9,581	-10,087
	<b>Profit before tax</b>	18,601	9,107
4	Tax for the year	1,716	1,555
	<b>Profit for the year</b>	20,317	10,662
	<b>Proposed profit appropriation</b>		
	Retained earnings	20,317	10,662
		20,317	10,662

## Financial statements for the period 1 January - 31 December

### Balance sheet

Note	DKK'000	2015	2014
	<b>ASSETS</b>		
	<b>Non-current assets</b>		
5	<b>Investments</b>		
	Investments in group entities, net asset value	179,878	152,003
	Receivables from group entities	0	35,000
		<u>179,878</u>	<u>187,003</u>
	<b>Total non-current assets</b>	<u>179,878</u>	<u>187,003</u>
	<b>Current assets</b>		
	<b>Receivables</b>		
	Receivables from group entities	7,343	17,242
	Income taxes receivable	1,332	289
		<u>8,675</u>	<u>17,531</u>
	<b>Total current assets</b>	<u>8,675</u>	<u>17,531</u>
	<b>TOTAL ASSETS</b>	<u>188,553</u>	<u>204,534</u>
	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
6	Share capital	600	600
	Retained earnings	61,169	38,880
	<b>Total equity</b>	<u>61,769</u>	<u>39,480</u>
	<b>Liabilities other than provisions</b>		
	<b>Non-current liabilities other than provisions</b>		
	Payables to group entities	0	155,110
		<u>0</u>	<u>155,110</u>
	<b>Current liabilities other than provisions</b>		
	Payables to group entities	126,725	9,911
	Other payables	59	33
		<u>126,784</u>	<u>9,944</u>
	<b>Total liabilities other than provisions</b>	<u>126,784</u>	<u>165,054</u>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<u>188,553</u>	<u>204,534</u>

1 Accounting policies

7 Collateral

8 Contractual obligations and contingencies, etc.

9 Related parties





Financial statements for the period 1 January - 31 December

Statement of changes in equity

DKK'000	Share capital	Retained earnings	Total
Equity at 1 January 2015	600	38,880	39,480
Profit/loss for the year	0	20,317	20,317
Exchange rate adjustment	0	1,972	1,972
Equity at 31 December 2015	600	61,169	61,769

## Financial statements for the period 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies

The annual report of Ammeraal Beltech Danmark A/S for 2015 has been prepared in accordance with the provisions applying to reporting class B enterprises under the Danish Financial Statements Act.

Selected rules applying to reporting class C enterprises have been selected.

The accounting policies applied by the Company are consistent with those of last year.

#### Omission to present a cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The entity's cash flows are part of the consolidated cash flow statement for the Group Financial Statements of Ammeraal Beltech Holding B.V.

#### Consolidated financial statements

Referring to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements are prepared. The financial statements for Ammeraal Beltech Danmark A/S and its group entities are part of the consolidated financial statements for the parent company Ammeraal Beltech Holding B.V.

#### Reporting currency

The financial statements are presented in Danish kroner.

#### Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

#### Income statement

##### Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, the items 'Revenue', 'Costs of sale', 'Other external expenses' and 'Other operating income' are consolidated into one item designated 'Gross profit/loss'.

##### Other external expenses

Other external expenses comprise office expenses, etc.

##### Amortisation/depreciation and impairment of intangible assets and property, plant and equipment

The item comprises depreciation and impairment of intangible assets.

Goodwill is amortised over the expected economic life, measured by reference to an assessment of, among other factors, the nature, earnings and market position of the acquired entity as well as the stability of the industry and the dependence on key staff.

## Financial statements for the period 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

The basis of amortisation, which is calculated as cost less any residual value, is amortised on a straight-line basis over the expected useful life. The expected useful lives are as follows:

Goodwill	10 years
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Goodwill is depreciated with a useful life of more than 5 years because the Company expects that the goodwill will be utilised over a period of 10 years.

#### Income from investments in group entities

The item includes the entity's proportionate share of the profit/loss for the year in subsidiaries after elimination of intra-group income or losses and net of amortisation and impairment of goodwill and other excess values at the time of acquisition.

#### Tax

The parent company is covered by the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. Subsidiaries are included in the joint taxation arrangement from the date at which they are included in the consolidated financial statements and up to the date when they are excluded from the consolidation.

The parent company is the management company for the joint taxation and consequently settles all corporation tax payments with the tax authorities.

On payment of joint taxation contributions, the current Danish corporation tax charge is allocated between the jointly taxed enterprises in proportion to their taxable income. Enterprises with tax losses receive joint taxation contributions from enterprises that have been able to use the tax losses to reduce their own taxable income.

Tax for the year comprises current corporation tax, joint taxation contributions for the year and changes in deferred tax for the year - including changes resulting from changes in the tax rate. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

#### Balance sheet

##### Intangible assets

Goodwill is measured at cost less accumulated amortisation and impairment losses.

##### Investments in group entities

On initial recognition, investments in subsidiaries and associates are measured at cost and subsequently at the proportionate share of the enterprises' net asset values calculated in accordance with the parent company's accounting policies less or plus any residual value of positive or negative goodwill determined in accordance with the acquisition method. Subsidiaries and associates with a negative net asset value are measured at DKK 0 (nil), and any amounts owed by such enterprises are written down by the parent company's share of the net asset value if the amount owed is deemed irrecoverable. If the negative net asset value exceeds the amounts owed, the remaining amount is recognised under provisions if the parent company has a legal or a constructive obligation to cover the enterprise's deficit. Net revaluations of investments in subsidiaries and associates are transferred to the net revaluation reserve according to the equity method in so far as the carrying amount exceeds the acquisition cost.

## Financial statements for the period 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

Enterprises acquired or formed during the year are recognised in the financial statements from the date of acquisition or formation. Enterprises disposed of are recognised up to the date of disposal.

Acquisitions of new subsidiaries and associates are accounted for using the purchase method, according to which the assets and liabilities acquired are measured at their fair values at the date of acquisition. Provision is made for costs related to adopted plans to restructure the acquired enterprise in connection with the acquisition. The tax effect of revaluations made is taken into account.

#### Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective indication that a receivable or a group of receivables is impaired. If there is objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Receivables with no objective indication of individual impairment are tested for objective indication of impairment on a portfolio basis. The portfolios are primarily composed on the basis of debtors' domicile and credit ratings in accordance with the Company's risk management policy. The objective indicators used for portfolios are determined based on historical loss experience.

Write-downs are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

#### Equity

##### *Proposed dividends*

Dividends proposed for the financial year are presented as a separate item under 'Equity'.

#### Corporation tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

As management company for all the entities in the joint taxation arrangement, the parent is liable for the subsidiaries' income taxes vis-à-vis the tax authorities as the subsidiaries pay their joint taxation contributions. Joint taxation contributions payable or receivables are recognised in the balance sheet as income tax receivable or payable.

## Financial statements for the period 1 January - 31 December

### Notes to the financial statements

DKK'000	2015	2014
<b>2 Financial income</b>		
Interest receivable, group entities	2,344	3,365
Exchange gain	0	278
	2,344	3,643
 <b>3 Financial expenses</b>		
Interest expenses, group entities	9,249	9,911
Exchange losses	332	0
Other financial expenses	0	176
	9,581	10,087
 <b>4 Tax for the year</b>		
Estimated tax charge for the year	-1,716	-1,555
	-1,716	-1,555



## Financial statements for the period 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual liability in respect of finance leases.

Other liabilities are measured at net realisable value.

## Financial statements for the period 1 January - 31 December

### Notes to the financial statements

#### 5 Investments

DKK'000	Investments in group entities, net asset value	Receivables from group entities	Total
Cost at 1 January 2015	466,850	35,000	501,850
Disposals in the year	0	-35,000	-35,000
Cost at 31 December 2015	466,850	0	466,850
Value adjustments at 1 January 2015	-314,847	0	-314,847
Share of the profit/loss for the year	36,223	0	36,223
Exchange adjustment	1,972	0	1,972
Goodwill amortisation, investments	-10,320	0	-10,320
Value adjustments at 31 December 2015	-286,972	0	-286,972
Carrying amount at 31 December 2015	179,878	0	179,878

Remaining goodwill included in the above carrying amount at 31 December 2015 totals DKK 19,346 thousand.

DKK'000	Legal form	Domicile	Interest
<b>Subsidiaries</b>			
Ammeraal Beltech Modular A/S	Limited company	Vejle	100.00 %

#### 6 Share capital

The Company's share capital has remained DKK 600 thousand over the past 5 years.

#### 7 Collateral

The Company is part of a financing agreement entered into by the Group. As security for the Group's financing agreement the Company has issued a corporate security to Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. with security in the Company's group receivables and shares.

#### 8 Contractual obligations and contingencies, etc.

##### Other contingent liabilities

As management company, the Company is jointly taxed with other Danish group entities and is jointly and severally liable with other jointly taxed group entities for payment of income taxes for the income year 2013 onwards as well as withholding taxes on interest, royalties and dividends falling due for payment on or after 1 July 2012.

## Financial statements for the period 1 January - 31 December

### Notes to the financial statements

#### 9 Related parties

Ammeraal Beltech Danmark A/S' related parties comprise the following:

#### Information about consolidated financial statements

<u>Parent</u>	<u>Domicile</u>	<u>Requisitioning of the parent's consolidated financial statements</u>
Ammeraal Beltech Holding B.V.	Comeniusstraat 8, 1817 MS, Alkmaar, The Netherlands	Comeniusstraat 8, 1817 MS, Alkmaar, The Netherlands

#### Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the votes or minimum 5% of the share capital:

<u>Name</u>	<u>Domicile</u>
Ammeraal Beltech Holding B.V.	Comeniusstraat 8, 1817 MS, Alkmaar, The Netherlands